



COLORADO

Department of Public
Health & Environment

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CATEGORICAL EXCLUSION DETERMINATION FOR THE PROPOSED DRINKING WATER PROJECT FOR TOWN OF PAONIA

The Water Quality Control Division of the Colorado Department of Public Health and Environment has conducted a review of the proposed drinking water project for the Town of Paonia in accordance with Environmental Protection Agency (EPA) and State of Colorado procedures for implementing the National Environmental Policy Act (NEPA) (40 CFR Part 6) and the State of Colorado NEPA-like policy (SRF Operating Agreement). The State has determined that this project is eligible for a categorical exclusion. Accordingly, the State is exempting the project from further substantive environmental review requirements under the above stated policies.

Project Description:

The proposed project consists of replacement of water transmission and distribution lines, both inside and outside of the town limits. The project will be funded by an existing Drinking Water Revolving Fund loan in the amount of \$2,996,494.15 at an interest rate of 2.08%, and a principal forgiveness loan in the amount of \$847,920. The project will not increase current user rates.

The project, by design, will not increase the drinking water for the planning area.

Criteria for Granting a Categorical Exclusion under 40 CFR part 6.204:

The action proposed will ensure compliance with current and future drinking water treatment standards. The following criteria condition the allowance of the categorical exclusion for the proposed action:

- Functional replacement of equipment.
- Distribution line replacement.
- Minor upgrades and expansions of existing water systems in communities of 10,000 population or less (distribution line extensions are not included.)

The documentation to support this decision will be on file at the Colorado Department of Public Health and Environment, Water Quality Control Division, in Denver, Colorado, and is available for public scrutiny upon request. Comments concerning this decision may be addressed to:

Randi Johnson-Hufford, Project Manager
Grants and Loans Unit
Water Quality Control Division
Colorado Department of Public Health and Environment
4300 Cherry Creek Drive South
Denver, Colorado 80246



Dated this 16th day of September, 2016.

A handwritten signature in blue ink, appearing to read 'P. Pfaltzgraff', written over the printed name.

Patrick J. Pfaltzgraff
Division Director
Water Quality Control Division